

SECOND AMENDMENT TO AGREEMENT FOR PURCHASE OF REAL PROPERTY

THIS SECOND AMENDMENT is entered into this 10th day of December 2002 by and between Boeing Realty Corporation, a California corporation ("Seller"), and RREEF America, L.L.C., a Delaware limited liability company ("Buyer").

RECITALS

A. Seller and Buyer entered into that certain Agreement for Purchase of Real Property and Joint Escrow Instructions for the purchase and sale of certain real property described as Lots 1-6 and Lots 9-12 of Tract Map 52172, in unincorporated Los Angeles County, California (as amended by that certain First Amendment thereto dated as of December 6, 2002, the "Agreement").

B. Seller and Buyer wish to amend further the terms of the Agreement, as set forth below.

NOW, THEREFORE, in consideration of the recitals to this Agreement, the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer agree as follows:

AGREEMENT

1. Defined Terms. All capitalized terms used in this Second Amendment have the meaning given them in the Agreement, unless indicated otherwise herein.

2. Traffic Improvements (Tract Map Condition of Approval #10). Seller agrees that, after Closing, it will satisfy Map Conditions relating to uncompleted off-site traffic improvements, including but not limited to the posting or renewal of a bond with the City of Los Angeles. Seller also agrees to use best efforts to cooperate with Buyer in securing building permits or certificates of occupancy from the City of Los Angeles, notwithstanding the fact that such Map Conditions have not been completed.

3. Site Plan/CUP Exemption. Following Closing, Seller shall use best efforts to assist Buyer in securing exemptions from the City of Los Angeles Planning Department for both site plan review and CUP requirements.

4. Tract Map Revisions. Following Closing, Seller agrees to record that certain Master Covenant and Agreement in the form attached hereto as "Exhibit A" and incorporated herein by this reference. Seller will use commercially reasonable efforts to add a provision to the attached Master Covenant to the effect that maximum floor areas can be aggregated for projects encompassing multiple lots.

5. CC&R Correction. Seller hereby re-assumes (from the Association under the CC&Rs) the responsibility to pay for and complete the railroad crossings at Francisco and Knox. Nothing in this Agreement affects any provision of the EDA Agreement regarding the party who

will ultimately complete such improvements, provided that the Association will not be obligated to complete the improvements. Upon completion, the Association will remain responsible for maintenance and repair of the improvements and any other obligations under that certain Maintenance Agreement with the City regarding said railroad crossings.

6. Exhibit D. Buyer agrees that, to the extent that the Property is not occupied by Tenants, Buyer will submit to the City of Los Angeles the documents listed on Exhibit D to the Agreement, certifying that Buyer has no employees located at the Property.

7. Summary Letter. Seller agrees to execute and deliver to Buyer a letter substantially in the form attached hereto as Exhibit B. Buyer acknowledges that such letter is being provided to Buyer as an accommodation, and nothing in the letter alters or affects Buyer's or Seller's rights or obligations under the Agreement.

8. Feasibility Notice. Upon execution of the this Second Amendment by the parties, this Second Amendment will be deemed to constitute Buyer's Feasibility Notice that it will proceed to consummate its purchase of the Property, subject to the terms and conditions set forth in the Agreement.

9. Full Force and Effect. Except as set forth herein, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, Seller and Buyer have signed this Second Amendment on the day and date first above written.

SELLER:

Boeing Realty Corporation,

By: 

STEPHEN J. BARKER

Its: DIRECTOR-BUSINESS OPERATIONS

BUYER:

RREEF America, L.L.C.,

By: _____

Its: _____

will ultimately complete such improvements, provided that the Association will not be obligated to complete the improvements. Upon completion, the Association will remain responsible for maintenance and repair of the improvements and any other obligations under that certain Maintenance Agreement with the City regarding said railroad crossings.

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9. Full Force and Effect. Except as set forth herein, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, Seller and Buyer have signed this Second Amendment on the day and date first above written.

SELLER:

Boeing Realty Corporation,

By: _____

Its: _____

BUYER:

RREEF America, L.P.C.,

By: [Signature]

Its: Principal

Exhibit A

[Master Covenant and Agreement]

Recording requested by and mail to:

Name: S. Mario Stavale
Address: Boeing Realty Corporation
15480 Laguna Canyon Road, Ste. 200
Irvine, California 92618-2114

Space Above This Line For Recorder's Use

MASTER COVENANT AND AGREEMENT

The undersigned hereby certifies I am (we are) the owner of the hereinafter legally described real property located in the City of Los Angeles, County of Los Angeles, State of California (please give the legal description):

Lot 8, Lots 1 thru 6, inclusive, and Lots 9 thru 12, inclusive, of Tract 52172, recorded October 10, 2001 as Instrument No. 01-1923920 in Book 1262, Pages 59 to 62, inclusive, of Maps, in the Official Records of the County of Los Angeles, State of California.

Site Address: Harbortate Way

That in consideration of the approval of a Modification to Vesting Tentative Tract Map 52172 on April 13, 1999 by the City Planning Department, I (we) do hereby promise, covenant and agree to and with the City of Los Angeles and the City Planning Department of said City that to the extent of our interest, I (we): will comply with modified Condition No. 11a, a copy of which is attached hereto, which Condition supercedes that certain Condition No. 11a described in that certain Master Covenant And Agreement recorded on August 6, 1998 as Instrument No. 98-1375300 in the Official Records of the County of Los Angeles, State of California.

This covenant and agreement shall run with the land and shall be binding upon any future owners, encumbrancers, their successors, heirs or assigns and shall continue in effect until the City Planning Department of the City of Los Angeles approves its termination

Boeing Realty Corporation

(Print Name of Property Owner)

(Print Name of Property Owner)

By

(Signature of Property Owner)
S. Mario Stavale

(Signature of Property Owner)

Dated this ____ day of December 2002

Space Below This Line For Notary's Use

ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

On ____ before me, ____ (name and title of officer), personally appeared, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal

Notary Public Signature

(SEAL)

Case No. Vesting Tentative Tract No. 52172

Condition No(s) 11a

Approved for recording by ____ Date: ____
(Department of City Planning)

Modify Condition No. 11a to read:

- 11a. The land use on-site shall be limited to that delineated in the following chart and this limitation shall be recorded in a covenant and agreement, and Development Agreement, if any. (MM)

Regardless of the project size, any changes in use and scope of the development shall be subject to Department of Transportation (DOT) review and approval. DOT will collectively evaluate the changes as a total project, not as an individual project. If such changes result in trip generation beyond the number of trips evaluated under the project traffic study, as approved by the Department of Transportation, appropriate mitigation measures shall be required. (MM)

VESTING TENTATIVE TRACT NO. 52172(Modification)

Tract Map No.	Lot No.	Lot Area (Sq. Ft.)	* A maximum floor area permitted by the zone and the general plan (1.5:1 sq ft)	** Proposed Project (Sq. Ft.)	Parking spaces proposed
52172-01	1-8	1,196,214	1,794,321	311,016	
52172-02 to 07	1	117,892	178,838		per code
	2	137,423	206,135		
	3	139,269	208,804		
	4	139,287	208,931		
	5	164,996	247,494		
	6	165,020	247,530		
	7	165,045	247,568		
	8	165,069	247,804		
	9	165,094	247,641		
	10	165,119	247,679		
	11	144,358	218,537		
	12	116,416	174,824		
	13	172,870	259,305		
	14	247,257	370,888		
	15	252,863	378,895		
	16	247,602	371,403		
	17	247,574	371,381		
	18	95,017	142,526		
	19	88,268	133,899		
	20	89,855	134,783		
	21	86,968	130,452		
	22	82,161	123,242		
	23	82,161	123,242		
	24	82,161	123,242		
	25	82,161	123,242		
	26	81,547	122,321		
	27	153,412	230,118		
	28	337,084	605,826		
	29	296,730	443,595		
	30	254,589	381,884		
	31	264,458	386,687		
	32	289,692	434,538		
	33	68,880	103,320		
	34	70,838	108,257		
	35	72,238	108,354		
	36	95,162	142,743		
Subtotal	1-36	5,826,332	8,439,498	3,145,000	
TOTAL	44	6,822,546	10,233,819	3,456,016	
7 Unit Maps	lots	(approx 157 acres)	(1.5:1 FAR)	(approx. overall FAR 0.50:1)	

NOTE: Lots 37 and 38 are "NO BUILD" lots & NOT INCLUDED

* Based on 1.5:1 FAR per Height District No. 1

** Any individual lot can go up to 3:1 FAR not to exceed a total of 3,145,000 SF subject to conditional use approval for lot averaging. Building in lots adjacent to single family dwellings in the south-western portion of the site shall have a 45-foot maximum height.

*** Total includes 311,016 SF of Retail Uses including up to 30,000 sq. ft. of restaurants

**** Includes 441,988 SF Office Use and 2,703,012 SF Industrial Park Use

Exhibit B

[On Boeing Realty Corporation Stationary]

December 10, 2002

Mr. Dwight Merriman
The RREEF Funds
101 California Street
San Francisco, CA 94111

Re: Harbor Gateway Commerce Center, Los Angeles, California (the "Property")

Dear Dwight:

I am writing to you on behalf of Boeing Realty Corporation ("Boeing") regarding the Economic Development Grant Agreement (the "EDA Agreement") between Boeing and the City of Los Angeles (the "City"). Because of the unusual nature of the EDA Agreement and its effect on the transaction for the purchase and sale of the Property, Boeing wishes to address concerns you have raised in your due diligence investigations regarding the EDA Agreement.

Boeing acknowledges that neither RREEF America, L.L.C., the contract purchaser of the Property ("RREEF"), nor RREEF's separate account client were parties to the EDA Agreement. Boeing also acknowledges that neither RREEF nor its client will comply with section 303 (except Section 303(H)) of the EDA Agreement, which will remain solely Boeing's obligation.

Boeing further acknowledges that neither RREEF nor its client is an employer, and neither expect that any new jobs, as described in the EDA Agreement, will be directly created by RREEF or its client as a result of the purchase of the Property by RREEF's client.

Although Boeing and RREEF agree that neither RREEF nor its client will have any obligation to submit the forms described in paragraph 303(H) of the EDA Agreement to the extent that the property is occupied by tenants, RREEF agrees to use commercially reasonable efforts to cause tenants at the Property to complete the forms, provided that neither RREEF nor its client will be obligated to disturb tenants' right of quiet enjoyment.

Boeing acknowledges that (a) the City has agreed that payment by BRC of the liquidated damages under Section 910 of the EDA Agreement is the sole remedy available to the City for breach of Section 303 of the EDA Agreement, and (b) the City has agreed to look solely to BRC (and not to RREEF or its successors and assigns) for satisfaction of all obligations of the Developer under the EDA Agreement other than Section 303 thereof.

Sincerely yours,

Philip W. Cyburt, President
Boeing Realty Corporation